Oil and gas in Chhattisgarh

1416. SHRIMATI MOSHINA KIDWAI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have explored the possibility of petroleum and natural gas reserves in Chhattisgarh;

(b) if so, the details thereof;

(c) whether Government are aware that geological studies suggest that there is vast potential of petroleum and natural gas reserves in the State;

(d) if so, what are the facts in this regard; and

(e) by when Government would start exploration activities in the State?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) and (b) Geologically, the State of Chhattisgarh encompasses three basins *viz.* South Rewa, Chhattisgarh and Bastar. The Oil and Natural Gas Corporation Ltd. (ONGC) have carried out preliminary exploratory surveys in the form of semi-detailed mapping along with reconnoitory traversing and gravity-magnetic surveys followed by 2D seismic surveys in the basinal area of South Rewa, falling in the northern part of the State. As on 01.04.2004, 5230 Square Kilometers (Sq Km) of Geological Surveys, 1033 Stations of gravity-Magnetic Surveys and 245 Ground Line Kilometers (GLK) (multifold) of Seismic Surveys have been carried out by ONGC in the State of Chhattisgarh.

(c) to (e) On the basis of available geological information and studies carried out so far, of the three sedimentary basins falling in the State, only South Rewa Basin and its extension in the State of Madhya Pradesh has been considered for evaluation of hydrocarbon potential of Gondwana sequences. The other two proterozoic basins are not of immediate interest for hydrocarbon exploration. In South Rewa basin, which falls in the States of both Madhya Pradesh and Chhattisgarh, one exploratory well Tihki-1 was drilled which did not show any accumulation of hydrocarbons.

Based on the exploration work carried out in the State of Chhattisgarh, no in-place hydrocarbons have been established till date.

At present, ONGC and Oil India Ltd. (OIL) do not hold any Petroleum Exploration License (PEL) in the State of Chhattisgarh for carrying out exploration activities. One contract for a Coal Bed Methane (CBM) Block

viz. SH (North)-CBM-2003/11 covering an area of 825 Sq km was signed with Reliance India Ltd on 06.02.2004.

Directorate General of Hydrocarbon (DGH), in association with National Geophysical Research Institute, Hyderabad, has carried out surface geochemical surveys covering an area of 35,000 Sq. km in the State of Chhattisgarh during 2003-04 for obtaining information about the hydrocarbon generation potential in the area. 350 soil samples have been collected. Assessment of a hydrocarbon potential in a basin is a continuous and dynamic process and hence no time-frame for the completion of the work can be indicated.

Petroleum prices in international market

1417. SHRI S.S. AHLUWALIA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that petroleum prices have been witnessing frequent and considerable increase in the international market since some time past;

(b) the details of trends of prices both in terms of US Dollar and Euro as prevailed in the international market during the last twelve months and in June, 2004;

(c) the impact of such price increase already inflicted on Government finances as well as expected to inflict during the current financial year on this account; and

(d) the details of ongoing import contracts with oil producing countries which are unaffected by the escalation in price?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) Yes, Sir.

(b) The details of prices of Brent (Dated) crude in the international market during the period from August, 2003 to July, 2004, in terms of US Dollars per barrel are given in the statement (See below). In the international market, oil price assessment is made only in US Dollars and the price of oil is not assessed in Euro.

(c) For the first quarter of 2004-05, while crude oil imports have increased in volume terms by around 13%, the increase in value terms is around 51%.

(d) Oil PSUs have signed term contract agreements with the National Oil Companies of net oil exporting countries for import of crude oil. These